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FM AMEMBASSY SINGAPORE  
TO RUEHC/SECSTATE WASHDC 1411  
INFO RUCPDO/DEPT OF COMMERCE WASHDC  
RUEHRC/DEPT OF AGRICULTURE WASHDC  
RUCNASE/ASEAN MEMBER COLLECTIVE

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STATE FOR EB/TPP/MTA EKOCH  
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COMMERCE FOR TCC/4110  
USDA FOR ITP/FAS/BERTSCH

E.O. 12356: N/A  
TAGS: [ETRD](#) [ECON](#) [EINV](#) [SN](#)  
SUBJECT: SINGAPORE: TRADE AGREEMENT MONITORING AND  
COMPLIANCE

REF: STATE 152063

11. The following responds to reftel questions concerning our efforts to monitor trade agreements and to respond to trade barrier complaints from U.S. businesses and other sources.

12. DESCRIPTION OF HOW POST IS CURRENTLY ORGANIZED FOR MONITORING AGREEMENTS AND RESPONDING TO FOREIGN TRADE BARRIER COMPLAINTS, INCLUDING THE ESTABLISHMENT OF TEAMS AT POSTS.

The U.S.-Singapore Free Trade Agreement (FTA) came into effect January 1, 2004. It includes several phased-in commitments related to intellectual property (implemented in 2004 and 2005), financial services (being implemented through 2008), and a new competition law (being implemented through 2007). For both compliance monitoring and complaint response, we employ a team approach that entails regular communication and coordination among relevant sections and agencies, including the Economic/Political and Public Affairs sections, FCS, FAS, and DHS. We remain in close communication with concerned agencies in Washington, including USTR, Commerce, Agriculture, and State. Our Law Enforcement Council (LEC), which meets biweekly and is chaired by the DCM, is an additional vehicle for tracking compliance and complaint-related issues. Ensuring that Singapore fulfills commitments on customs and environmental cooperation can enhance bilateral law enforcement cooperation, particularly in detecting and interdicting illegal shipments.

13. NAME OF A CONTACT PERSON AT POST TO COORDINATE POSTQS PERIODIC COMPLIANCE REPORTING, FIELD GENERAL COMPLIANCE INQUIRIES, AND ENSURE COMPLAINTS ARE REPORTED PROMPTLY TO RELEVANT WASHINGTON AGENCIES.

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14. DESCRIPTION OF COMPLAINT RESPONSE ACTIVITIES AT POST,  
INCLUDING EXAMPLES OF RECENT COMPLIANCE SUCCESSES AND  
ONGOING COMPLIANCE ISSUES.

With some exceptions, Singapore's implementation of its FTA commitments has proceeded smoothly. During the first 18 months of the FTA, for example, we worked closely with USTR to ensure that Singapore was in full compliance with its legal and regulatory obligations for the protection of intellectual property. This involved regular dialogue with Singapore government officials, at both the working and senior levels, and resulted in additional amendments to Singapore's Copyright Act. Some U.S. companies continue to complain about copyright and trademark infringements by Singaporean companies; in most cases, these disputes have been resolved amicably. The majority of U.S. firms find Singapore's strong IPR regime an attractive element of doing business here. Citing IPR protection as a key consideration, several companies, among them Lucas Films, Schering-Plough, Dell, Sybase, and Welch Allyn, recently decided to make new or enlarge investments here.

15. We used Singapore's FTA commitment to conform with the WTO Sanitary and Phytosanitary (SPS) Agreement as leverage

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to re-open the country's market to boneless cuts of U.S. beef in January 2006. This entailed multiple discussions between USDA, State, USTR, and Singapore's food safety officials, and senior-level visits by both sides. We are currently working on access for bone-in cuts of U.S. beef, as well as variety meats. However, despite repeated interventions by USDA and the Embassy, Singapore continues to apply non-science-based standards for salmonella and staph aureus in raw meats, and misapplies Codex testing guidelines for canned soup that have harmed U.S. exports. We expect to raise these issues in the annual FTA review.

16. We continue to press Singapore to comply with its telecommunications-related FTA commitments. In particular, Singapore's regulator has failed to fully implement requirements (first issued in December 2003) that would give U.S. carriers access to local-leased (or "last mile") circuits comparable to that available to the dominant carrier, SingTel. Ongoing discussions, including at our first and second annual reviews of the FTA, have yielded positive results in terms of Singapore's wholesale pricing obligations, but access issues remain unresolved.

17. DESCRIPTION OF PROACTIVE MONITORING EFFORTS AT POST.

In addition to the LEC and other coordinating activities, we employ a variety of tools to ensure proactive monitoring of the FTA. The Economic Unit maintains an "FTA Implementation Matrix." This 20-page spreadsheet tracks each of Singapore's key FTA commitments according to relevant FTA articles and annexes, the implementing Singapore government agency, and the progress made in each area. USTR uses this document to prepare for our annual FTA reviews. We continually monitor Singapore's regulatory and legal changes relevant to the FTA, many of which are issued in draft form for public comment, and alert Washington to these developments.

18. We take advantage of regular visits by Washington officials to raise FTA compliance and complaint issues with

the Singapore government. Recent visitors such as USTR Schwab, DUSTR Bhatia, Commerce Deputy Secretary Sampson, and USDA Deputy Under Secretary Lambert all emphasized the importance of full FTA implementation.

19. Congressionally mandated annual reports such as the National Trade Estimates Report of Foreign Trade Barriers, the Investment Climate Statement, the Special 301 Report (IPR), the 1377 Review of Telecommunications Trade Agreements, and USDA's Global Agriculture Information Network (GAIN) offer regular opportunities to assess Singapore's progress in fulfilling its FTA obligations. FTA implementation is a key performance indicator in our Mission Performance Plan. We also consult regularly with U.S. business representatives, the local American Chamber of Commerce, and the U.S.-ASEAN Business Council.

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